Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: May 18-19, 2016

Reference No.: 4.4
Action

From: SUSAN BRANSEN
Executive Director

Subject: **ROAD CHARGE TECHNICAL ADVISORY COMMITTEE AND PILOT PROGRAM UPDATE**

ISSUE:

In December 2015 staff received notice that California Road Charge Technical Advisory Committee (Committee) member Eshwar Pittampalli, who served as a representative of the Telecommunications Industry, resigned. Utilizing the process outlined in statute, the Chair of the Commission, in consultation with the California State Transportation Agency (Agency) Secretary, has identified a replacement member to bring forward for appointment.

RECOMMENDATION:

Staff recommends the Commission appoint Ms. Nidhi Kalra, Information Scientist and Director of Center for Decision Making Under Uncertainty at the RAND Corporation, as a member of the Committee to represent the Telecommunication Industry. A short biography of Ms. Kalra is attached.

BACKGROUND (OR FINANCIAL RESOLUTION FOR ALLOCATIONS):

On September 29, 2014 the Governor signed Senate Bill (SB) 1077 (DeSaulnier, Road Usage Charge Pilot Program) mandating the Commission Chair, in consultation with the Agency Secretary, to create a 15-member Committee to study road usage charge alternatives to the gas tax and to make recommendations on the design of a pilot program.

The Committee is scheduled to meet quarterly in the coming year to discuss the pilot program and policy issues related to road charging. Attached is a schedule of the policy issues the Committee will be discussing.

Caltrans is currently in the midst of recruiting volunteers for the pilot program in an effort to recruit 5,000 volunteers that reflect the socio-economic and demographic diversity of California. While there are more than 8,000 volunteers signed up, there is still a need for more rural, commercial, and low income volunteers.

Caltrans' consultant, D'Artagnan Consulting, has begun to test the systems to be used by the vendors who are providing the mileage reporting and account management services. They will be conducting "end-to-end" testing of the pilot program in Sacramento the week of May 16th through May 20th. Among other things, this test will include a cross-state drive from Sacramento to Reno, Nevada to ensure the various location-based reporting systems are able to accurately identify when a car is driven out of state. This is a "dry run" for the pilot program that will provide the opportunity to fine-tune the vendor systems before the pilot goes live in July 2016.

In July 2017, the Agency will submit a report of its findings to the Legislature, the Committee, and the Commission. The Agency's report is required to address cost, privacy, jurisdictional issues, feasibility, complexity, acceptance, use of revenues, security and compliance, data collection technology, potential for additional driver services, and implementation issues. The Commission is required to then include its recommendations regarding the pilot program in its annual report to the Legislature.

Attachments:
Ms. Nidhi Kalra Biography
2016 & 2017 Road Charge Policy Issues and Schedule

NIDHI KALRA

Nidhi Kalra is an information scientist at the RAND Corporation and the director of RAND's Center for Decision Making Under Uncertainty. Her research addresses energy, environment, and science and technology policy. She recently co-authored two major reports *Autonomous Vehicle Technology: A Guide for Policymakers and Strategic issues Facing Transportation: Expediting Future Technologies for Enhancing Transportation Systems Performance.* She is currently leading projects to ensure long-term water security in Lima, Peru and to help the State of California make strategic levee investments in the Sacramento-San Joaquin Delta. Her clients include the World Bank, the U.S. National Cooperative Highway Research Program, the Government of Qatar, the Federal Highway Administration, and the Department of Defense. Kalra has also worked on international development and education, and developed educational technology tools to promote literacy among blind children in India. Kalra received her Ph.D. in robotics from Carnegie Mellon University's Robotics Institute.

RAND Corporation was recommended by Senate Transportation & Housing committee

Schedule of Policy Issues for Technical Advisory Committee Consideration in 2016

MONTH	TOPICS	TAC INFORMATION POINTS
June 2016	Income Equity	Initial analysis of income equity issues related to transitioning from motor fuels tax to road charging
	Jurisdictional Issues	Discussion of policy issues (regulatory, enforcement, fiscal) related to charging out-of-state drivers
September 2016	Electric Vehicle Adoption	Analysis of policy issues related to road charging and electric vehicle adoption
	Use of Revenues	Discussion of policy considerations related to the use of revenues from a road charge program
December 2016	Transition Strategies	Discussion of potential strategies the state could use to transition from motor fuels taxes to road charging
	Jurisdictional Issues	Discussion of policy considerations for California jurisdictions (city/county/MPO) stemming from road charging
	Road Charge Rates	Introduction to considerations related to determining rates for road charging

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Schedule of Policy Issues for Technical Advisory Committee Consideration in 2017

MONTH	TOPICS	TAC INFORMATION POINTS
March 2017 (tentative)	Urban/Rural Drivers	Initial analysis of differential impacts of road charging on urban and rural drivers
	Long Distance Commuters	Initial analysis of differential impacts of road charging on long distance urban/suburban commuters, compared to short-distance commuters
	Jurisdictional Issues	Discussion of policy considerations stemming from jurisdictional issues
June 2017 (tentative)	Transition Strategies	Update of Transition Strategies report based on lessons-learned in the pilot
	Urban/Rural Drivers	Update of Urban/Rural Drivers report based on data gathered in the pilot
	Long Distance Commuters	Update of Long Distance Commuters report based on data gathered in the pilot
	Income Equity	Update of Income Equity report based on data gathered in the pilot